AMENDED IN ASSEMBLY APRIL 10, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 1295

Introduced by Assembly Member Spitzer

February 23, 2007

An act to add Section 130244 to the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1295, as amended, Spitzer. Transportation facilities: tolls: Riverside County.

Existing law authorizes regional transportation agencies, in cooperation with the department Department of Transportation, to apply to the commission California Transportation Commission to develop and operate a value pricing program with high-occupancy toll (HOT) lanes, under which single-occupant vehicles may use designated high-occupancy vehicle lanes at certain times of day upon obtaining a permit and paying a fee. Toll revenues are used for the administration and operation of a value pricing program and exclusive or preferential lane facilities for public transit. Applications under these provisions are limited to 4 projects statewide and must be approved before January 1, 2012.

Existing law also authorizes the San Diego Association of Governments, the Sunol Smart Carpool Lane Joint Powers Authority, the Santa Clara Valley Transportation Authority, and the Alameda County Congestion Management Agency to undertake similar value pricing programs involving various other HOT lanes under the jurisdiction of these sponsoring agencies.

2 **AB 1295**

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Existing agencies. Existing law requires a report to the Legislature within 3 years after the sponsoring agency first collects tolls under these specific provisions, and terminates the authority granted under these provisions 4 years after the first collection of tolls.

This bill would state the intent of the Legislature to enact legislation relative to HOT lanes and value pricing programs in Riverside County authorize the Riverside County Transportation Commission to contract for construction of transportation projects on State Highway Route 15 within the county, and would authorize the commission to impose tolls for 50 years, subject to extension by the department. The bill would authorize the commission to issue bonds in that regard to finance project and related costs. The bill would authorize the department to enter into agreements with the commission. The bill would enact alternative provisions to current law governing the payment bonds that the commission is to obtain for projects undertaken pursuant to these provisions. The bill would enact other related provisions.

Vote: majority. Appropriation: no. Fiscal committee: no-ves. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 130244 is added to the Public Utilities 2 Code, to read:
 - 130244. (a) For the purposes of this section, the following terms shall have the following meanings:
- 5 (1) "Bonds" means bonds, notes, or other evidences of 6 indebtedness authorized to be issued pursuant to paragraph (2) 7 of subdivision (b).
- 8 (2) "Commission" means the Riverside County Transportation 9 Commission.
 - (3) "Department" means the Department of Transportation.
- (4) "Transportation facilities" means one or more of the 12 following: (A) general purpose toll lanes, (B) high-occupancy 13 vehicle lanes that may be used by single-occupant vehicles at 14 certain times of day upon obtaining a permit and paying a fee, otherwise known as high-occupancy toll lanes, (C) lanes or
- 15 facilities where the tolls may vary during the course of the day or 16
- 17 week or according to levels of congestion anticipated or
- 18 experience, (D) facilities or lanes utilizing combinations of or
- variations on (A), (B), and (C), or other strategies the commission 19

-3- AB 1295

may determine appropriate on a facility-by-facility basis, and (E) nontolled facilities, structures, onramps, connector roads, bridges, and roadways that are incidental to, related to, or desirable for the design, construction, operation, maintenance, or financing of any of the items in this paragraph.

- (5) "Transportation project" means the planning, design, development, financing, construction, reconstruction, rehabilitation, improvement, acquisition, lease, operation, or maintenance, or any combination of these, with respect to transportation facilities within the State Highway Route 15 (Interstate 15) corridor in Riverside County between San Bernardino County and San Diego County.
- (b) (1) The commission shall have the authority to set and collect tolls, user fees, or other similar charges payable for use of a transportation project, and any other incidental or related fees or charges, in an amount as required to (A) pay capital costs, operations and maintenance costs, and rehabilitation, repair, and upgrade costs, (B) repay indebtedness incurred as a result of or relating to the transportation project and related financing costs, including, but not limited to, indebtedness authorized pursuant to paragraph (2), (C) establish reserves, (D) pay for the commission's administration of the transportation project, including the toll system and toll enforcement costs, and (E) pay for any other transportation purposes that the commission is otherwise authorized to pay for or to contribute funds to.
- (2) The commission, or a nonprofit public benefit corporation formed on behalf of the commission, is authorized to issue bonds to finance the costs of a transportation project, including the costs of issuing the bonds, and paying credit enhancement and other fees related to the bonds, which bonds are payable from the tolls authorized pursuant to paragraph (1), sales tax revenues, development impact fees, state and federal funds, or any other source of revenues available to the commission that may be used for these purposes. The bonds may be sold pursuant to the terms and conditions set forth in a resolution adopted by the governing board of the commission.
- (3) The department is authorized to enter into any lease, easement, permit, or other agreement with the commission necessary to accomplish the purposes of this section.

AB 1295 -4 -

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(4) The commission shall have the authority to impose tolls for use of the transportation project for 50 years following the completion and opening of the transportation project for public use, after which the commission shall have no further authority to impose or to collect a toll for use of the transportation project, unless approved by the department. If requested by the commission, the transportation project may revert to the department after the bonds issued pursuant to this section are paid off in their entirety.

- (c) (1) The commission is authorized to contract for a transportation project. These contracts may be entered into separately or may be combined to include any or all tasks necessary for completion of the transportation project and subsequent operations and maintenance. Notwithstanding Section 130232, all contracts awarded by the commission shall be awarded based on criteria established by the commission, which may include price, qualifications, technical merit, or competitive negotiation, or any combination of these.
- (2) Transportation projects developed pursuant to this section shall be considered a public work project for purposes of Section 3109 of the Civil Code. Notwithstanding anything to the contrary in subdivision (a) of Section 3247 of the Civil Code, the payment bond required under that subdivision may be obtained from the entity with primary responsibility for construction, even though that entity may not have a direct contractual relationship with the commission, and, if the executive director of the commission determines that it is impracticable to obtain a 100 percent bond, the payment bond amount may be reduced to an amount determined sufficient by the executive director to protect the interests of the commission and the persons identified in subdivision (b) of Section 3247 of the Civil Code.
- (d) This section shall be supplemental and in addition to any other authority of the commission to undertake a transportation project. The commission may procure services, award and enter into agreements, and administer tolls, user fees, and revenues as authorized in this section notwithstanding any other requirement of state law or regulation or county ordinance or regulation relating to public bidding or other procurement procedures or other provisions otherwise applicable to public works, services,

5 AB 1295

(e) If any provision of this section or the application thereof is held invalid, that invalidity shall not affect other provisions or applications of this section that can be given effect without the invalid provision or application, and to this extent the provisions of this section are severable.

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SECTION 1. Section 130244 is added to the Public Utilities Code, to read:

8 130244. It is the intent of the Legislature to enact legislation 9 relative to high-occupancy toll lanes and value pricing programs 10 in Riverside County.